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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

In re:	§	
	§	Chapter 11
HIGHLAND CAPITAL MANAGEMENT, L.P., ¹	§	
	§	Case No. 19-34054-sgj11
Debtor.	§	
HIGHLAND CAPITAL MANAGEMENT, L.P.,	§	
	§	
Plaintiff,	§	Adversary Proceeding No.
	§	
vs.	§	21-03003-sgj
	§	
JAMES DONDERO,	§	
	§	
Defendant.	§	

¹ The Debtor's last four digits of its taxpayer identification number are (6725). The headquarters and service address for the above-captioned Debtor is 300 Crescent Court, Suite 700, Dallas, TX 75201.

**DECLARATION OF JOHN A. MORRIS IN SUPPORT OF THE DEBTOR'S
OBJECTION TO DEFENDANT JAMES DONDERO'S EMERGENCY MOTION TO
CONTINUE DOCKET CALL AND TRIAL AND/OR AMEND SCHEDULING ORDER**

I, John A. Morris, pursuant to 28 U.S.C. § 1746(a), under penalty of perjury, declare as follows:

1. I am an attorney in the law firm of Pachulski, Stang, Ziehl & Jones LLP, counsel to the above-referenced Debtor, and I submit this Declaration in support of the *Debtor's Objection to Defendant James Dondero's Emergency Motion to Continue Docket Call and Trial and/or Amend Scheduling Order* (the "Objection") being filed concurrently with this Declaration. I submit this Declaration based on my personal knowledge and review of the documents listed below.

2. Attached as **Exhibit 1** is a true and correct copy of an email from David Klos to the Debtor's Corporate Accounting group, with a copy to Melissa Schroth, dated February 2, 2018.

3. Attached as **Exhibit 2** is a true and correct copy of an email dated February 2, 2018 confirming a wire transfer in the amount of \$3,825,000 from the Debtor to James Dondero.

4. Attached as **Exhibit 3** is a true and correct copy of a promissory note dated February 2, 2018 executed by James Dondero in favor of the Debtor, as payee, in the original principal amount of \$3,825,000.

5. Attached as **Exhibit 4** is a true and correct copy of (a) an email from Blair Hillis to David Klos and the Debtor's Corporate Accounting group, with a copy to Melissa Schroth, dated August 1, 2018, and (b) an email from David Klos to the Debtor's Corporate Accounting group, with a copy to Melissa Schroth, dated August 1, 2018.

6. Attached as **Exhibit 5** is a true and correct copy of a bank statement dated August 31, 2018 confirming the Debtor's (a) August 1, 2018 wire transfer of \$2,500,000 to James Dondero, and (b) August 13, 2018 wire transfer of \$2,500,000 to James Dondero.

7. Attached as **Exhibit 6** is a true and correct copy of a promissory note dated August 1, 2018 executed by James Dondero in favor of the Debtor, as payee, in the original principal amount of \$2,500,000.

8. Attached as **Exhibit 7** is a true and correct copy of: (a) an e mail from Blair Hillis to Drew Wilson, David Klos, and the Debtor's Corporate Accounting group, with a copy to Melissa Schroth, dated August 13, 2018, and (b) an email from Drew Wilson to Blair Roeber, David Klos, and the Debtor's Corporate Accounting group, with a copy to Melissa Schroth, dated August 13, 2018.

9. Attached as **Exhibit 8** is a true and correct copy of a promissory note dated August 13, 2018 executed by James Dondero in favor of the Debtor, as payee, in the original principal amount of \$2,500,000.

10. Attached as **Exhibit 9** is a true and correct copy of the Debtor's demand letter to James Dondero dated December 3, 2020.

11. Attached as **Exhibit 10** is a true and correct copy of the Debtor's *Complaint for (I) Breach of Contract and (II) Turnover of Property of the Debtor's Estate* [Docket No. 1].²

12. Attached as **Exhibit 11** is a true and correct copy of the Court's *Order Regarding Adversary Proceedings Trial Setting and Alternative Scheduling Order* [Docket No. 3].

13. Attached as **Exhibit 12** is a true and correct copy of James Dondero's *Original Answer* [Docket No. 6].

14. Attached as **Exhibit 13** is a true and correct copy of the Debtor's February 2018 internal monthly close package.

15. Attached as **Exhibit 14** is a true and correct copy of the Debtor's August 2018 internal monthly close package.

² Refers to the docket maintained in the above-captioned adversary proceeding.

16. Attached as **Exhibit 15** is a true and correct copy of the *Debtor's Schedules of Assets and Liabilities* [Bankr. Docket No. 247].³

17. Attached as **Exhibit 16** is a true and correct copy of the Debtor's December 2019 Monthly Operating Report.

18. Attached as **Exhibit 17** is a true and correct copy of the Debtor's back-up for the December Monthly Operating Report, titled "December 2019 Due From Affiliates."

19. Attached as **Exhibit 18** is a true and correct copy of the Debtor's September 2020 Monthly Operating Report.

20. Attached as **Exhibit 19** is a true and correct copy of the Debtor's back-up for the September Monthly Operating Report, titled "September 2020 Due From Affiliates."

21. Attached as **Exhibit 20** is a true and correct copy of the Debtor's January 2021 Monthly Operating Report.

22. Attached as **Exhibit 21** is a true and correct copy of the Debtor's back-up for the January 2021 Monthly Operating Report, titled "January 2021 Due From Affiliates."

23. Attached as **Exhibit 22** is a true and correct copy of the Debtor's January 2021 Affiliates Loan Receivables Summary.

Dated: March 30, 2021

/s/ John A. Morris
John A. Morris

³ Refers to the docket maintained in the above-captioned chapter 11 bankruptcy case.